VZCZCXRO2535 PP RUEHLA DE RUEHMD #0755 1910721 ZNR UUUUU ZZH P 090721Z JUL 08 FM AMEMBASSY MADRID TO RUEHC/SECSTATE WASHDC PRIORITY 5061 INFO RUEHRL/AMEMBASSY BERLIN 0641 RUEHSW/AMEMBASSY BERN 2963 RUEHBS/AMEMBASSY BRUSSELS 5321 RUEHBY/AMEMBASSY CANBERRA 0886 RUEHDO/AMEMBASSY DOHA 0184 RUEHDL/AMEMBASSY DUBLIN 0129 RUEHHE/AMEMBASSY HELSINKI 1505 RUEHLO/AMEMBASSY LONDON 1047 RUEHLE/AMEMBASSY LUXEMBOURG 1605 RUEHMK/AMEMBASSY MANAMA 0222 RUEHMO/AMEMBASSY MOSCOW 0914 RUEHOT/AMEMBASSY OTTAWA 2783 RUEHRH/AMEMBASSY RIYADH 0197 RUEHRO/AMEMBASSY ROME 2394 RUEHUL/AMEMBASSY SEOUL 0735 RUEHSM/AMEMBASSY STOCKHOLM 3092 RUEHTC/AMEMBASSY THE HAGUE 7316 RUEHKO/AMEMBASSY TOKYO 0744 RUEHVI/AMEMBASSY VIENNA 0651 RUEHWL/AMEMBASSY WELLINGTON 0118 RUEHLA/AMCONSUL BARCELONA 3490 RHMCSUU/DEPT OF ENERGY WASHINGTON DC RUEHUNV/USMISSION UNVIE VIENNA 0086 RUEHBS/USEU BRUSSELS

UNCLAS MADRID 000755

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: KNNP IAEA ENRG SP

SUBJECT: SOLICITING PLEDGES TO FUND THE NUCLEAR THREAT INITIATIVE PROPOSAL FOR A NUCLEAR FUEL BANK - SPANISH REPLY

REF: SECSTATE 68313

11. (SBU) On July 1, Poloff conveyed reftel demarche to Ignacio Sanchez, MFA Deputy Director General for Nonproliferation, and asked the Spanish government to consider pledging funds to support the NTI's proposal for the creation of a nuclear fuel bank. Sanchez replied on July 4 that while Spain favors the creation of a nuclear fuel bank, they would prefer to work through the IAEA. He explained that if and when it comes to providing additional funds for the nuclear fuel bank, Spain would prefer to contribute to IAEA coffers vice directly to the NTI. Sanchez added that for Spain it is a question of "ownership" and who has the lead on the project.